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DIE SUID-AFRIKAANSE INSTITUUT

VAN

INTERNASIONALE AANGELEENTHEDE

THE SOUTH AFRICAN INSTITUTE OF INTERNATIONAL AFFAIRS

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CONTENTS/INHOUD

JAPAN AND THE WORLD	1	0
Martin Spring		
BRITAIN AND THE EUROPEAN COMMUNITIES	18	8 0
THE O.A.U. AND THE DIALOGUE ISSUE	2	з ()
BRIEF REPORTS/ KORT VERSLAE		
Question of Successor to UN Secretary General	20	6 O
President Nixon se Voorgestelde Besoek aan China	28	8 O
New Ruler in Haiti	3	10
Lean Claims Three Islands in the Gulf	3	2 <i>O</i>
Voorgestelde Grootpad deur Afrika	3	30
The Handing-Back of Okinawa to Japan	3	з <i>О</i>
Southern African Regional Tourism Council (SARTOC)	3	5 0
NEWS FROM THE BRANCHES	3	6
BOOK REVIEWS	3	8

JAPAN AND THE WORLD

bу

Martin Spring

In talking of Japan and the world, I wish to speak not only about Japan past, present and future, but also to relate what is happening in Japan to other nations of the world, including South Africa; to discuss the implications for balances of power, the international economy, even the ways of life and cultures of other countries. Japan is becoming a superpower, and few Westerners have even begun to think what the repercussions of this are going to be for all of us.

I want to declare my interest from the start. Over the course of the past seven years I have visited Japan three times. On each occasion I went, not as a tourist, or even as a businessman seeking information in a narrow area of Japanese affairs, but as a journalist charged with the task of preparing special surveys, half the length of the average book, on Japan.

Naturally, my interest was principally in the Japanese economy, and the implications of what I could learn about it for the South African economy, its businessmen, its traders, and in a wider context, all of us who live and earn our livings here.

But you cannot really understand the economy of any country without at least making a stab at understanding what makes its people "tick". What motivates them to work hard, to have open or closed minds to new ideas, to develop new techniques, to strike or not to strike, to seek wealth rather than leisure, or vice versa?

Many secrets of economic success or failure lie in areas that have nothing to do with economic laws, but in attitudes born of history ancient and modern, and of social mores which have been forged in the crucible of history. If this is true of all countries, it is especially true of Japan, whose phenomenal success story since the War cannot be explained in terms of economic factors and policies alone.

So I set out to study the Japanese against a broad background. But I want to say from the start, that my studies have led me to an immense admiration, even love, for Japan and its people. I am a japanophile, and maybe this influences my conclusions. But I would also sound this note of caution. If I am guilty of being pro-Japanese, then remember that all of us have, over these past decades, been fed a diet of views and interpretations of facts, which has generally been not balanced, but anti-Japanese.

Some of you may have had unfortunate experiences in the harsh school of war - not an arena where men are seen at their best, or where judgements of other nations can best be made. All of us are heirs to an unconscious tradition of racial arrogance - of automatic acceptance that because Caucasians' cultural traditions and technology are dominant in the world,

they are therefore the best, and that all other races should be "European-ised", accepting our standards of public welfare, private morality and progress. It is this tradition that the Japanese are about to destroy.

As I have said, to understand Japan you need to know something of its history. I hope you will bear with me while I outline its highlights - that is, those which have relevance today.

The origins of the Japanese, as of most peoples, are lost in the mists of antiquity. They are partly of Caucasian origin! The oldest known inhabitants of the Japanese islands seem to have been the Ainu, a blue-eyed, hirsute people who today hardly exist as a separate entity, having been largely absorbed into the gene pool of the Japanese people as a whole. There has perhaps been a mixture of Polynesian blood - there are certainly some identifiable cultural influences from Polynesia. But the Japanese are primarily of Mongoloid origin, their principal fore-bears apparently being: a race related to the Chinese who settled parts of the islands several thousand years ago; and an Altaic race, related to the Turks, who rode out of the Mongolian plains about the time of Christ to conquer the islands and impose the stamp of a ruling class as effectively as the Romans did in France or the Normans in Britain.

These, the last wave of invaders, whose imperial line has ruled Japan in unbroken succession down to the present-day, appear to have brought with them certain characteristics which today are marks of the Japanese as a people; fierce, martial pride; an extraordinary willingness to make personal sacrifices in the group interest; a high degree of self-discipline and organising ability; a strange combination of coolheadedness and fiery passion; and high intelligence.

These early Japanese were barbarians who dressed in animal skins, had a very primitive culture, and had no written language. This makes what happened next so extraordinary. Civilisation everywhere else in the world, as far as I know, has been spread either by a slow process of osmosis, or has been imposed or adopted through conquest. What the Japanese rulers did, about 1400 years ago, was to set out deliberately to civilise themselves and their people.

At that time the Chinese Empire was at the height of its glory, with a civilisation already more than 2000 years old. The Japanese barbarians sent emissaries and students to China to learn the arts of civilisation. They brought back the Chinese written language — which, despite its unsuitability, they adapted to record their own spoken language (which is as totally different from Chinese, incidentally, as Chinese is from English).

They brought back the sophisticated Chinese system of government and put it into practice. Chinese philosophy (Confucianism and Taoism). Chinese religion (Buddhism). Chinese architecture. Chinese arts: Chinese crafts. The Japanese soaked them all up like a great sponge. Within 400 years, despite total absence of the sort of mass communications we know today, the Japanese went from near-total barbarism to a level of civilisation that enabled them to produce works of art like Lady Murasaki's "The Tales of Genji", regarded as one of the world's cultural masterpieces.

3/

However, the Japanese did not merely copy Chinese civilisation, they learned from it. Everything Chinese - system of government, arts, philosophy, religion - was adapted to suit Japanese attitudes and conditions.

Now this perios of history is one that is being repeated today. The parallels are clear. For more than a century Japan has been absorbing the knowledge and skills of the West like an enormous sponge, adapting them to its own attitudes and conditions as it does so. But time-scales today are shorter, thanks to mass communications. Japan is already drawing level with the most advanced societies of the West in every respect that matters in the power game. Where next? I will return to that in a moment.

First of all let's have a quick look at what happened to Japan between the time when the Japanese became a civilized people, and the so-called "Meiji Restoration" last century when Japan set out to soak up the very different civilisation of the West.

Despite their martial skills and the apparent evidence of this century, the Japanese are not an aggressively warlike people. Until 80 years ago, Japan had fought only two international wars in its entire history, and one of those was purely defensive. But even had they wanted to, there was hardly anywhere for them to expand into. To the east and south lay vast oceans. To the north, the bleak climatically hostile and apparently worthless lands of what we now know as Siberia and the Soviet Far East. To the west lay the mighty Chinese empire, which the Japanese could remain independent of, thanks to the intervening East China Sea and their own fierce bravery, but could never hope to conquer.

Another factor is that the Japanese islands were neither heavily populated (in comparison to the numbers the Chinese empire could muster), nor were they - or are they - particularly fertile or rich in minerals. On the contrary, Japan is basically very poor in terms of natural resources, with very little arable land because of the extremely mountainous terrain. This hardly gave an adequate base for empire-building, even if the Japanese had been interested in it, which obviously they weren't. Besides, for many centuries Japan was a series of feudal fiefdoms competing against one another for power. Not until after 1600 did Tokugawa Ieyasu establish a permanent administrative system for the country that made permanent central government possible.

This was to be a turning-point in Japanese history in another way too. By 1600 the Europeans' skill at shipbuilding, their adventurous spirit, their advanced military technology, and their search for trade and plunder afar, brought them around the world, and to the shores of Japan. Most explosive of all, they brought Christianity - a proselytising religion whose basic precept of personal morality, in diametric opposition to the East Asian concept of the primacy of group morality, represented a direct threat to the philosophical foundations of Japanese society and Japanese government.

As soon as the Japanese authorities recognised the disruptive effects of Western thought, they moved to crush it. The missionaries were expelled,

the converts were martyred or forced to abandon their faith, and the doors were closed to the West. Europeans were banned from Japan, Japanese were prohibited from leaving the islands for fear that they might return "infected" with European ideas - in both cases, on pain of death.

This piece of Japanese history may or may not be repeated in future. I don't know. But it is an observable fact that Western ideas are undermining Japan's traditional morality, and that this is resented. If it goes too far, it might again lead to another closing of the gates, and to Japanese isolation from the world. However, I doubt that such a move would be practicable, given mass communications as they are today.

The period of Japanese isolation that lasted from the early 1600s to the 1860s is known as the Tokugawa Era. It is important because it came to a close only a century ago, and many of the attitudes, much of the way of life, evolved during that period remain at the core of modern Japan. There are many Japanese alive and in influential positions today whose grandfathers grew up during the Tokugawa Era.

The Tokugawa Era can be characterised as the most rigid, systematised form of feudalism the world has probably ever seen. Every Japanese had his place in society, based on birth, and he could not move out of it - either up or down. There were rules for every aspect of human behaviour, with fearful penalties for transgressors.

We, as Westerners, with our feudal era many centuries behind us, may regard Tokugawa as a period of human history too frightful to contemplate. But it had its good points. The ruling class of Samurai not only had its considerable rights, but it also had onerous obligations - to the lesser classes, to each other, to the daimyo or lords, and to the nation, personified in the Emperor.

There may have been hardly any individual freedom, as we know it today, but there was also the security that came from knowledge of what one did, and what one could expect of others, in any given situation. The Tokugawa Era was a period of peace probably unparallelled in any other country in the world's history.

The Tokugawa system failed, firstly because it depended on a static society, and even Japanese society of those days had inherent forces of change which worked against rigid regulation in Japanese feudalism as it did in the European version. The economy developed. With increasing wealth came the emergence of capital, and with capital, real power began, to a limited extent, to be concentrated in the hands of the merchants, despite their nominal rank as the lowest order of society.

But the second reason for the failure of the Tokugawa era was that Japan could not indefinitely opt out of the world. As the imperial powers of Europe extended their influence in the East, grabbing colonies and seeking to force trade upon the remaining independent nations, as the United States emerged as a world power and thrust out across the Pacific, pressures on the Japanese to open their closed doors, increased.

The two forces - internal disequilibrium, external threat - combined to bring the Tokugawa Era to an end. The Americans forced the Japanese to

open their ports to trade, threatening the Japanese with their "black ships" - steam-driven, steel naval vessels. The European powers clamoured for, and obtained, similar concessions. And the internal upheaval that this defeat led to, triggered off a revolution within Japan's ruling Establishment. A new group of samurai, allied to the embryo capitalist class, emerged to take power. Japan entered the modern era.

What Japan achieved within 50 years of its emergence from feudalism was quite breathtaking. It established modern armed forces good enough for it to take on, and defeat in spectacular fashion, a fairly advanced Western power - Russia. It established a modern system of government and of education, an industrial base with a fair amount of heavy industry, and a sophisticated financial infrastructure.

It largely learned by sending bright Japanese to study abroad, but many foreign experts were brought in on contract to establish new industries. These gaijin - as the Japanese call White foreigners - sometimes caused quite a commotion. French textile experts, for instance, had difficulty getting the locals to work with them after they were seen drinking red wine. The ordinary Japanese immediately concluded that they were vampires who drank blood!

Unfortunately, of course, Japan learned bad as well as good things from the West. It learned of a world where the advanced, powerful nations, such as Britain, France and Russia, had seized vast areas of the world by dint of their armed might, and where other, rising nations such as Germany sought an equal "place in the sun" by the same means. Japan set out to copy the West in these things, too, seizing Korea, Taiwan, the Liaotung Peninsula in Chinese Manchuria, and South Sakhalin, and looking further beyond.

Then came the First World War, when Japan, involved on the winning side, was snubbed at Versailles because it was a "yellow" nation, and therefore not regarded as the equal of the other victors. This piece of blatant racial discrimination greatly offended the Japanese, always acutely sensitive in such matters, and it constituted an emotional charge which helped lead directly to the disastrous Pacific War.

During the Twenties and Thirties, economic stresses finally set the die. During this period, the "haves" - the US and Russia, with their great self-contained continental empires, and Britain and France, with their immense colonial empires - were inevitably opposed to the few vigorous "have-not nations - Germany, Italy and Japan.

The example of what the "haves" had achieved by armed might, the passionate desire to catch up with the West and repay the insulting slur that yellow nations were inferior to white, the need to break out of the protectionist ring that restricted Japan's export drive and kept Japan's economy at a comparatively poverty-stricken level, land, the rise to power of the military faction, these were the things that drove Japan to seek to carve out an empire in China and, hopefully, beyond. Yet this very drive to power represented a threat to US interests, and violated the evolving anti-colonial ethics of public opinion in the "have" nations.

Inevitably, Japan had to be opposed - opposed to the point where Japan was cut off from its supplies of oil and scrap steel. And so, equally, inevitably, came Pearl Harbour and the Japanese attempt to break out of what they regarded as the tightening ring of the so-called ABCD powers

We under-estimate the Japanese if we believe that most of their leaders went into that war with any real confidence of victory. Their motivation was primarily pride, because they were not prepared to sacrifice their independence without a fight - the sort of spirit the British had when they faced a Continent dominated by Nazi Germany, and defeat seemed certain.

The Japanese gambled on a blitzkrieg that would knock out the Western allies before they could bring their full might to bear against Japan, and on their martial spirit more than counterbalancing the material resources of the US. Their gamble failed - but only just - because of the chances of war, because the martial spirit of the Americans proved to be considerably greater than they expected, and because of the phenomenal versatility and productive power of the American economy.

The Japanese are an exceedingly bright people, and they learned a lot from their defeat. If I understand my Japanese friends aright, these are the lessons they learned:

One: that power in the modern world rests primarily on a highly-sophisticated, technologically-advanced, industrial base. A single bomber with an atomic device is more than a match for a hundred thousand soldiers no matter how brave they be.

Two: that, however, power in the modern world is increasingly exercised not by rockets or ships, but by sheer money power, which in turns provides enormous political leverage. So why risk the dangers of war to seek your "place in the sun", when you can do it by other means?

These lessons, I believe, provide the real logic behind Japan's single-minded drive for economic power since the War, and its deliberate eschewment of military strength or involvement in great power conflicts which could endanger this drive to economic power.

The source of the emotional drive is also apparent. Japan's pride has been hurt both by the defeat and by White nations' continuing treatment of Japanese as somehow inferior, nasty little yellow men. I believe that we Whites could pay dearly for both. Japan's ambition is to become a super-power in every sense of the word. Its target-levels are those set by the US, the greatest super-power of them all. Japan intends to surpass the US before the end of this century and I believe it is going to.

Let us look first of all at Japan's growing economic strength. I do not intend to analyse the reasons for Japan's astonishing growth rate, which has exceeded an average of 10% p.a. for many years. But it is my view that this growth is unlikely to slow to any significant extent unless there is a disaster (which I will discuss later on).

Japan is already the world's third greatest industrial power (it overtook West Germany in 1968). Its technological levels are rapidly approaching those of the US, and in a few fields - such as shipbuilding - have already surpassed them. The era of building on the knowledge of others, or "copying" (which, incidentally, all developing nations do our own South Africa is an obvious example) is drawing to a close. But Japan is rapidly increasing its investment in original research, and pretty soon the West will be learning more from Japan than it teaches Japan.

Because the Japanese have such a high degree of control over their economy and economic relations with other countries, Japan is rapidly becoming a capital-surplus nation. In contrast to the US, which is now a deficit nation, restricting investment abroad and steadily cutting back on its foreign aid, Japan is emerging as the future world money centre. By 1975, it is estimated, Japan will have a balance of payments surplus running at somewhere between $3\frac{1}{2}$ and 13 billion dollars a year.

This will mean that Japanese companies will have immense funds with which to range abroad buying up other countries' industries just as the Americans have since the War. It will mean that nations like South Africa needing to raise capital abroad will be obliged to look to Tokyo rather than London or Frankfurt or New York - because that is where most of the money will be. It will mean that the Japanese government will have enormous funds to dispense as foreign aid - and I need not tell you what the political implications of that could be if, as I expect, aid is dispensed with the calculated shrewdness of the French rather than the naive idealism of the Americans.

Of course it is true that Japanese living standards are still considerably lower than those of White South Africans. This doesn't matter, because they are growing much faster! Japanese living standards will probably equal those of Britain this year, surpass those of the richest nations of Western Europe before the end of the Seventies, and overtake those of the US and White South Africa by 1985.

The Japanese economy as a whole is likely to exceed Russia's by early in the Eighties, and the US's before the end of the century. If you think these estimates are exaggeratedly optimistic (or pessimistic - according to your point of view) bear in mind that practically all estimates of Japan's economic growth made for many years, both by foreign and Japanese economists, have been consistently proved too low.

It also means that within ten years Japan will be second only to the US as a market for exporting nations. This will give the Japanese immense leverage in international trade negotiations, and give them ever-increasing power to oblige other countries to accept imports from Japan in exchange for their export products. It means also that the yen will become an increasingly important currency in international exchange, and could eventually supplant the American dollar.

Another implication, flowing from the vast amount of money and effort Japan is now pouring into original research, is that the country will soon become a prime source of scientific knowledge and technological knowhow. Our scientists and engineers will have to go to Japan, as well as the US and Western Europe, to keep abreast of modern developments.

So much for Japan's economic power. But what of its military strength? Japan has comparatively small but nevertheless formidable conventional armed forces. Expenditure on these is to be doubled over the next six years. Japan could become a nuclear power in an incredibly short time - perhaps less than 12 months - if it chose. Nevertheless, I do not believe we need have any nightmares about Japanese armies tramping across the world. A more militarily self-reliant Japan does not mean a more aggressive Japan.

Firstly, because pacifist sentiment is still immensely strong in Japan, and this makes it difficult for the government even to provide for adequate defence of the country, let alone get involved in any foreign military adventures. And secondly, because the Japanese seem to believe with good reason - that they can best pursue their national interests by means other than force of arms.

The Japanese military posture is totally defensive, and I cannot see that changing in the foreseeable future; though effort poured into improving defensive capability could be stepped up considerably. I would not be surprised if Japan turns out to be the first nation to develop an effective defensive umbrella against nuclear missile attack.

The only military arena beyond its borders in which Japan might just get involved is Korea, because it is so close to home. However, even there, I expect Japan's contribution to be limited to provision of modern arms to the South Korean forces.

Is anything likely to stop Japan's drive towards superpower status? I do not believe that internal problems will stop it. Japan already has a severe labour shortage, but the additional output that comes from employing extra workers is only about 1% a year because - as you probably know - Japan has the lowest population growth rate on earth. Japan gets its additional output almost entirely from productivity growing at the rate of about 10% a year (South Africa's figure is not much over 2%), and I cannot see that falling off by much for quite a few years.

Changes in the attitudes of people to hard work, saving and so on might have a slight adverse effect on Japan's growth rate, but my view is that such changes are very marginal, and are unlikely to be significant for many years. Politically, Japan is one of the stablest countries in the world.

No - I cannot see internal economic, sociological or political problems slowing down the Japanese juggernaut. On the contrary, if trends in the US, Western Europe and even South Africa are anything to go by, it is our economic, sociological and political problems that are likely to get worse, and undermine our capacity to compete with Japan.

There are only two real dangers that face Japan - both external. One is a world trade war and/or depression. The other is a major armed conflict involving Japan.

The danger in a world trade war would be that Japan is perilously dependent on the US as a market for its exports - America takes about 30% of all Japanese exports. However, Japan is less dependent on exports for its prosperity than many people think. Japan depends on foreign markets for only 10% of its production - this compares with about 20% before the War, and is much less than in the case of all other Free World nations except the US. Britain, for instance, depends on foreign markets for 16% of its production, West Germany for 19%, and South Africa for 22%.

Secondly, Japan's dependence on imports: of just about every kind of raw material, nearly all its fuel, and some of its food, could be more a strength than a weakness, because it would give Tokyo enormous hargining power, in a world trade crisis, to force its export goods on other nations as a quid pro quo for buying their raw materials and so on. In a crisis, could South Africa afford to defy to an unreasonable degree a nation on which the prosperity of our sugar, maize and large parts of our mining and metal industries depend?

If the tragedy of a world trade crisis occurs - and I do not believe it will - then the two great self-contained economies, the US and Russia, would be least-harmed, but I believe Japan would be hurt significantly less than Britain, West Germany, South Africa, or just about any other country worth talking about.

What, then, of an armed conflict? Japan spends far less on its armed forces than just about any other advanced nation, (only about 1% of GNP), and that situation is unlikely to change significantly for some while. Consequently, Japan will, I believe go to extreme lengths to avoid military involvement.

There are only two foreseeable dangers. One is a Russian attack on Red China with wide-scale use of nuclear weapons. I understand that the pattern of prevailing winds over that part of Asia is such that if atomic bombs were used against the key Chinese industrial areas in northeast China and Manchuria, radioactive fall-out could spread right across the Japanese islands, with disastrous loss of life.

The other danger is that Japan could be subjected to nuclear blackmail by either Russia or China. Few influential Japanese that I have spoken to believe that in such a situation the US would risk a Third World War to protect Japanese interests. But it is also true that few of them think there is any likelihood of Japan's being blackmailed in this way. They believe that, for the Russians, "the game would not be worth the candle". As far as the Chinese are concerned, they view China's posture as essentially defensive, not aggressive — and I am inclined to agree with them.

The Odds, then, are very definitely <u>against</u> anything stopping the Japanese juggernaut. So what will its continued drive forward mean for the rest of the world, and especially for South Africa?

Japan's current foreign policy represents such a low-key approach that it is hardly a policy at all. Tokyo is vague, evasive and equivocal on just about every major international issue: Israel, South Africa, China, the Vietnam war, or whatever.

One reason for this is the primacy of economic growth among the Japanese leaders' considerations. Taking a position on any issue could damage Japan's trade, and therefore hinder economic growth.

A second reason is that there is no clear consensus among influential Japanese about what the country's foreign policy should be. There are deep divisions over issues such as Japan's relationship with the US, and which Chinese régime Tokyo should recognize. While absence of consensus continues, so will the "weak" attitude of the Japanese government towards major international issues.

A third reason, I suspect, is that the Japanese government's foreign policy, low-key as it is, is framed more with national considerations than national emotions in mind. By this, I mean that I believe Japan's stance would be much more anti-Washington and pro-Peking than it is, were it not for the extensive practical benefits that flow from alliance with the US.

However, we cannot expect Japan's disengagement from world controversy to continue for much longer. Perhaps more than any other people, because of their history and the structure of their society, the Japanese are acutely sensitive to the realities of power, and see the world in hierarchical terms. If Japan develops an enormous power potential, in economic or any other terms, it will certainly use it. If it judges that it deserves a place at the peak of the world's power hierarchy, it will certainly take it.

Basically, the Japanese place more importance on prestige and position than on money or comfort. There is already a resurgence of national pride, and this must lead to a more positive foreign policy. An indication of Japan's growing concern in recent years with national prestige has been the intense lobbying for a permanent seat for Japan on the UN's Security Council, and for a bigger share of voting power in the IMF. Any review of Japanese foreign policy must start with the country's principal ally, the US.

The US is important to Japan as the largest foreign market for Japanese goods, major supplier of the country's imported raw materials and manufactured goods, and principal source of imported knowhow and technology. It is also a source of armaments and military expertise. It provides Japan with a "nuclear umbrella" (although, as I have said, I doubt the real value of this). It is a powerful friend of Japan in the world's councils, from the UN to the OECD, from GATT to the IMF.

And it still occupies Japanese territory conquered during the Pacific War. The Okinawas, which lie south of Japan and east of China, are due to be handed back next year, but reversion still depends on solution of some knotty problems, such as the freedom of the US to use its extensive military bases on Okinawa. These represent an investment of many billions of dollars, and are the principal link in the US's Far Eastern defence facilities. The trickiest question of all is whether, and on what terms, the US will be able to continue storing, and to employ at its own discretion, the tremendous arsenal of nuclear weapons currently deployed there. Nothing seems to have been said yet, incidentally, about handing back other Pacific islands that used to belong to Japan.

All these are excellent reasons for the Japanese to maintain good relations with the Americans and in some ways - to be frank - to exploit the generosity, the idealism and the naivety of the Americans.

However, I do not expect the Japanese and the Americans to remain as good allies as they have been. If you believe, as I believe, that there is a long-term isolationist trend in the US, then the US will be less willing to aid Japan in the ways it has since the War. More important, Japan's growing economic power, the increasing competitive strength of Japanese goods in the American market, the tendency for Japan to become a too-powerful customer for certain US materials (cooking coal is one example), and the widening deficit in the US's trade with Japan (now about a billion dollars a year) are all inevitably producing a growing fear of and hostility towards Japan in the US.

This has already led to anti-Japanese action such as the so-called "voluntary" quotas on imports of cotton textiles and steel, the dumping duties on television sets, and the "Mills Bill" with its Christmas package of protectionist measures. I expect more such action in the years ahead.

The Japanese, though they have taken it all with little more than polite protest, deeply resent this sort of action after all the sickly moralising of the Americans since the War about the wonders of free trade and free competition. It is an unpleasant reminder to Japanese of the sort of barriers that kept their goods out of international markets in the Thirties. What is more, there is still widespread, deep-seated resentment of the Americans because of their victory in the Pacific War, the subsequent occupation, and the continuing presence of US armed forces in Japan and Okinawa.

So, although they may grin and bear it for some while yet, I foresee an eventual Japanese rebellion against American hegemony; an outbreak of what one could call Japanese gaullism but with, I suspect, far more practical effect than the late President of France was able to achieve.

One interesting indication I had of this was in an interview last year with a senior official of the Bank of Japan, when I asked him what the Bank's attitude was towards the US's irresponsible flooding of the international monetary system with paper dollars - something openly resented by the central bankers of Western Europe. Japan, of course, has not uttered a word of criticism about this. Indeed, it has co-operated with the US by keeping its foreign reserves largely in dollars, buying Roosa Bonds, and so on.

This official made it clear to me that Japan has adopted this attitude only because of its present economic dependence on the US: that is resents the Americans' irresponsible behaviour just as much as the European countries; and that it would cease to support the American position just as soon as it could afford to do so. It will be impossible for Japan to "dash for freedom" in the monetary sense for quite a while yet, but it is obviously aiming to do so eventually, and when it does so, I expect it to act with considerably more determination and skill than the European countries.

12/

If Japan "cools" its relations with the US - and I regard this as certain - then it can be expected to pursue closer relations with other countries.

The most obvious of these is Russia. Firstly, because Russia is its closest neighbour, just 50 kilometres across the La Perousse strait to the north. Secondly, because Russia poses the most obvious military danger to Japan, and Japan plainly must try to neutralize this threat while it remains unable to defend itself against nuclear attack.

Thirdly, because Russia represents an immense potential market for Japanese exports, whose development could lessen Japan's present undue dependence on the US market. However, for the moment, although Japan has the biggest trade with Russia of all the Free World nations, Russia nevertheless takes little more than 1% of Japan's exports.

Fourthly, there are the enormous natural resources of Siberia and the Soviet Far East awaiting development. Russia is having great difficulty developing these resources itself. Japan needs these materials to feed its hungry industrial machine. It has the capital, the highly skilled manpower and other resources to develop and exploit this vast region. And it is the natural market because of its relative geographical proximity.

However, there are considerable problems in developing closer relations with Russia. One is a basic mistrust stemming from history: Japan's spectacular victory over Russia at the turn of the century, the brutal and very profitable last-minute entry of Russia into the Pacific War. Then there is the continuing Russian occupation of Japan's northern islands, and persecution of Japanese fisherman operating in northern waters. There is still no peace treaty between Russia and Japan ending the Second World War.

But there is more to it than that. The rulers of the Soviet Union are nearly all White Russians with a bitter hatred for and fear of the Mongoloid races stemming from their history. The Japanese leaders on their part — or so my Japanese friends tell me — regard most of the Russians they deal with as real barbarians, totally lacking in culture or sophistication according to Japanese standards. I personally think that the fact that the Russians are extremely hard bargainers, and cannot be bamboozled into things — also has something to do with Japanese fear and resentment of the Russians.

Another factor is the sheer fear the Russians have of the Japanese. East of the Urals lie two-thirds of Russia's natural resources, but only some 12 million people. Communications are poor, climatic conditions fearful. Even to defend this area is a kingsize problem for the Kremlin, let alone to develop it. It is a dazzling prize for Asians whether they be Japanese or Chinese, to get their hands on in one way or another. The Russians, who only conquered most of the area a couple of centuries ago, know this. They are naturally frightened that what China cannot seize militarily, Japan might take over economically.

The Japanese some years ago suggested a sort of condomination over the area, with Russia maintaining sovereignty while Japan took economic control. The idea got short shrift in Moscow.

Another complication in Russo-Japanese relations is the enmity between Russia and Red China, because the Japanese are emotionally as inclined to be pro-Chinese as they are anti-Russian.

This is not difficult to understand. The Chinese are not technologically advanced and potentially dangerous white-skinned Caucasians like the Russians and the Americans. Nor are they dark-skinned races, whom the Japanese generally regard as inferior. The Chinese and Japanese are racially similar. What is more, Japanese culture and civilisation originally came from Mother China - the Japanese tend to be as sentimental about this as we of European stock tend to be about Greece.

I might also add that if the Japanese feel any guilt at all about the last War, it is in regard to what they did to the Chinese. There is, I think, also an element of sympathy in the Japanese attitude, for another nation like Japan that has suffered depredation at the hands of Caucasian nations, is still excluded from the charmed circle of the global "Establishment", and is struggling to raise itself up to great power status.

One major factor bedevilling attempts by the Japanese to improve their relationships with Peking is the ideological obsession of the Chinese leadership. A Japanese businessman told me: "We can deal with the Russians, because they are realisite. But the Chinese want to talk politics all the time. You cannot do business with people like that".

Another major complication is the Nationalist Chinese régime on Taiwan, which enjoys powerful political support from Rightwingers in the Japanese Establishment. Taiwan is also of economic importance to Japanetwo-way trade amounts to about \$600 million a year, and Japanese business has about \$600 million invested on the island. At present Japan recognizes the Nationalist government in Taipei, not the Communist one in Peking, as the legal government of China. But it trades with both régimes - which involves some tricky political juggling. Any shift towards a closer relationship with Peking would endanger Tokyo's business and political relations with Taipei, and also with South Korea.

However, the struggle within the Japanese Establishment over China policy appears to be intensifying. There are now 95 senators and deputies of the ruling Liberal Democratic Party who openly favour recognition of Peking. Japan recently announced plans to establish a government—owned China Trade Corporation to handle trade with Peking. This is plainly a move away from the policy set out in the so-called "Yoshida Letter" of 1964 to the Taipei régime ruling out government credit in any dealings with the Communist régime. There are also signs that the anti-Peking faction is moving away from a "one China" position — recognizing Taipei only — towards a "two Chinas" position — recognizing both Taipei and Peking.

There is, of course, a strong element of self-interest in Japan's cautious courtship of Red China. Japan is already China's biggest foreign trade partner, with two-way trade running at about \$800 million a year. But this is a fleabite compared with what it could be.

Japan has top-class managerial and organisational skills, capital and technology. What it lacks is raw materials, labour, and wider markets. China has raw materials, labour and a vast potential market. But it lacks organisational skills, capital and technology. The foundation for a close and fruitful partnership between two peoples with so much in common is obvious. And despite the scepticism about this that I find among almost all Western observers, I must tell you that nearly all the knowledgeable Japanese I have taxed on this point regard close relations between Japan and China as a stone cold certainty. It is only a matter of time, they say. Ten years? 20? 30?

Much will depend on what happens between Russia and China. If war does come between the two countries, Japan will be careful not to get involved. But the aftermath would be a China badly smashed up, and desperately in need of help in rebuilding. I believe that the Chinese would then swallow their pride and their personal distaste for the Japanese, and turn to Japan for help, that Japan would give this willingly, and that this could lead more rapidly than would otherwise be the case, to the sort of Japan/China partnership in world affairs that I have suggested.

What of the rest of the world? Outside of the three countries I have already mentioned, those of prime interest to Japan are, not surprisingly, the other countries of East and South East Asia. These already account for 26% of Japan's exports. It has been said, with some validity, that the businessman with his briefcase has already conquered for Japan the "Asian Co-Prosperity Sphere" that its generals failed to win and hold by force of arms.

At the moment, Japan's interest is mainly centred on South Korea and Taiwan, Japan's two former colonies. But in both cases there is some hostility being generated by fear of undue economic dependence on Japan. Any improved relations with Red China would upset both countries further of course, because of their strongly anti-Communist régimes. And an additional troubling factor is the Koreans' strong animosity to the Japanese as a people, stemming from colonial times (interestingly enough, the native Taiwanese are quite the reverse. I guess they would rather have their old rulers back than the present mainlander Chinese).

The areas where Japanese expansion is likely to be most obvious in future years are:

One - Indonesia. This is a land of immense natural resources (which the Japanese probably know more about than anyone, from their Occupation days), and a large potential market. What is more, the Japanese are remembered favourably for their liberation of the country from Dutch colonial rule.

Two - the rest of South East Asia. But the Japanese are feared and disliked in many of these countries - the Philippines is the most extreme example - because of their behaviour during the Pacific War.

Three - Australia and New Zealand. There is considerable dislike and fear of the Japanese in both these countries, too, yet in both cases economic dependence on Japan seems inevitable.

Western Europe, which takes 15% of Japan's exports, is not particularly high on Japan's list of priorities, perhaps because it lies so far away, and perhaps because the Japanese expect even more resistance there to trade expansion than in the US. However, some of the still-powerful "old guard" would like to see a revived relationship with Germany, partly for emotional reasons (admiration of German virtues) and partly because of Germany's growing economic and political importance.

However, the Japanese economy is becoming so large, and its needs in terms of supplies, markets and outlets for capital so enormous, that almost the whole world is likely to become a Japanese oyster in the coming decades. The Japanese are particularly interested in Africa, for instance, because of its immense mineral resources. And also - I suspect - because African régimes should prove fairly pliable compared with governments in most other regions of the globe.

One of the most difficult choices Japan faces is, to put it crudely, whether to be the tail of the advanced, White world or the head of the backward, Non-White world. Commonsense pulls one way, emotion the other. Whichever Japan chooses will depend to a considerable extent on the economic and political attitudes of the White powers towards Japan.

The biggest danger Japan faces, quite obviously, is that its rapidly-increasing material power will generate just as rapidly-increasing fear on the part of other nations of Japanese world domination. This could lead to a spate of discriminatory measures aimed at Japan, which would heighten Japan's determination to press ahead with pursuing its own interests, and thus onwards in a dangerous spiral that could lead to - who knows what?

I personally believe that there is little the rest of the world can do about containing the energies of a people as talented and dynamic as the Japanese. They have earned their "place in the sun", and we have got to work out some way to allow them to occupy it.

At the same time, the Japanese have to learn to appreciate and adjust to the legitimate aspirations of other nations, other peoples. In one way their social ethic of "a place for each, and to each his place", should make this easier to accept. But on the other hand, Japanese are used to hierarchial structures, and if they expect small nations to kowtow merely because Japan is so powerful and superior, then they could be in for an unpleasant surprise.

I see two major problems in Japan's relationship with the world. One is the communications gap. The other is racial feeling from both the Japanese and Caucasian sides.

By a communications gap, I mean that Japanese have little real understanding of other peoples, while we have even less of a real understanding of the Japanese. This is partly because our ethical standards and outlooks on life are so totally different. To Westerners, there is a meancing, ant-like quality about Japanese. To Japanese, Westerners are selfish, shallow individualists. Until we learn to appreciate the strengths of each other, stemming from our different philosophies, this barrier will remain.

The communications gap is also partly a result of language and thought processes. The Japanese are poor linguists, but at least they have a try at learning Western languages. How many Westerns speak Japanese? (And it is not as insuperably difficult as many pretend). A greater obstacle to understanding is the difference in ways of thinking. Western thinking is mathematical, direct. Japanese thinking tends to be intuitive and indirect. Even if a Japanese speaks fluent English, he thinks in a different way from you and I.

This difference often leads to cultural friction, which further bedevils communication. We Westerners often appear rude and boorish in Japanese eyes. They appear evasive and unreliable to us. I often think that White South Africans handle this problem better than many other Caucasians, because we grow up with peoples with quite different thought processes, ethical standards and languages from our own.

There is no simple answer to the communications problem. All we can do is work at it - by trying to communicate more. Personally, I would like to see a Japan Society established in South Africa to promote understanding of things Japanese. I would like to see many more South Africans visiting Japan - and not just for a few days - and more Japan-A sort of Japan-South Africa Leader Exchange ese visiting South Africa. Programme. A cheaper, direct air service from Johannesburg to Tokyo I would also like to see teaching of the Japanese language would help. in our universities and even in our schools. The Australians do it why should not we? Japan is already our second biggest export market, and is going to become increasingly important to us.

This leads me logically to the second problem: racial feeling between Japanese and Whites.

On the Japanese side, there is an acute feeling of inferiority in relation to Caucasians. It is this complex, I believe, that is the prime emotional generator driving the Japanese to make themselves the world's leading nation.

The Japanese have been humbled by Western technology from Commodore Perry's Black Ship Invasion to the atom-bombing of Hiroshima. They were spurned at Versailles, and are still discriminated against in the world's councils because of their race. They are still faced with a blank wall of lack of understanding and veiled hostility. A senior commentator of Japan's major national daily paper, the "Asahi Shimbun" wrote recently: "At the bottom of US moves to exclude Japanese goods is the racial prejudice of the White people, who regard Japanese as 'yellow-faced upstarts'". The situation is not improving, either. A leading Japanese Cabinet Minister said recently: "As things are going, the yellow peril complex can only become more widespread in the US."

Unfortunately, the very same prejudice is prevalent in South Africa. The Japanese are only too well aware of it, which is why they reacted so emotionally to the "Japanese Jockey Incident".

It is this continuing discrimination - usually unspoken, but the Japanese are well aware of it - that drives them on to prove that they are the equal

of, if not superior to, Caucasians. This drive for power is excessive, and could be dangerous for all of us, whatever our race. But I do not believe it will slacken until we, the Caucasian nations of the world, change our ideas.

It will not be easy. Caucasian technology, Caucasian arms, Caucasian culture and mores, Caucasian nations, have effectively dominated the world for several centuries. This has given all of us who are Caucasians, whether we be South Africans or Americans, Britishers or Russians, an unconscious arrogance. Even if we are not more openly racist, we automatically assume that our ways of doing things - our ideologies, capitalist or communist, democratic or authoritarian; our religion; our ethical precepts based on our idea of the relationship between man, God and State - are the right ones.

Now comes Japan, which shares no part of our tradition, and accepts few of our basic ideas, yet embraces our technology and our economics, and makes them work in many respects better than we have ever been able to. Now comes Japan to claim its place as a superpower, as a world leader, perhaps by the end of this century the world leader.

We cannot assume or expect that Japan must just adjust to our way of doing things. Many people mistakenly assume that because the Japanese wear clothes like we do, work in offices just like Johannesburg's, and drink Coco-Cola, that they are becoming "Westernized". Nothing could be further from the truth. Contact with the West has made surprisingly little impact on the ways Japanese think and act.

Given Japan's coming importance, there has to be some compromise between the attitudes of East and West, some willingness on our part to adjust to ideas and ways Japanese. If we do not, it could be perilous for all of us.

I want to end on this hopeful note. One thing I have come to admire about the Japanese is their deep sense of commitment to personal and group relationships once established. It is difficult to acquire Japanese friends, but once you have, you have bonds of friendship with a far deeper meaning than the more easily established relationships we have in Western Society.

Japan has always been a lonely, isolated, misunderstood nation. I believe that the first nation to build a real bond of friendship with Japan will find itself rewarded in emotional, spiritual and practical terms beyond anything that has ever existed before in history. It is my profound hope that South Africa, whose very survival depends on working out relaxed intergroup relationships, will be the country that will hold out a real hand of friendship to Japan and, in doing so, will set an example to the world.

Mr. Martin Spring is Editor of the South African Financial Gazette. He was previously, until May 1971, Deputy Editor of the Financial Mail.

The above address was given to meetings of the Witwatersrand and Pretoria Branches of the Institute of 15th April and 1st June, 1971, respectively.

BRITAIN AND THE EUROPEAN COMMUNITIES

"The prime objective of any British Government must be to safeguard the security and prosperity of the United Kingdom and its peoples. Since 1961 successive British Governments have taken the view that these fundamental interests would be best served by British accession to the European Communities. It has accordingly been their declared policy that the United Kingdom should become a full member of the European Communities provided that satisfactory arrangements could be negotiated for our entry." (Paragraph 1 of the 'White Paper', The United Kingdom and the European Communities, H.M. Stationery Office, July 1971, Cmnd. 4715).

Outcome of Negotiations

On 30 June 1970, Mr. Anthony Barber opened Britain's third attempt to gain entry to the European Economic Community (Common Market). On 23 June 1971 Mr. Geoffrey Rippon, Britain's chief negotiator, and representatives of the six member states of the EEC, emerged from the Conference Room of the European Centre in Luxembourg, to announce that the way had finally been cleared for British entry. It was now up to Britain to decide whether it really wanted to go into Europe or not. The terms cover only a transitional period of about five years, after which Britain will adopt the full rules of the EEC. Should Britain decide to join, the period of transition will run from 1 January 1973.

During the year of negotiation, June 1970 - June 1971, the following principal terms, which form the basis of Prime Minister Heath's White Paper now awaiting Parliamentary approval, were agreed upon:

- 1. Dependencies. All British dependent territories (and the Anglo-French Condominium of the New Hebrides) will be offered association under Part IV of the Treaty of Rome. Gibraltar will be covered by article 227(4) which deals with European territories of member states. Hong Kong will be included within the scope of the Community's scheme of generalised preferences.
- 2. The Commonwealth. (a) Canada and Australia, as highly industrialised countries, get no special treatment, except for the continued preferential access for a few industrial products.
- (b) Independent Commonwealth counties in Africa, the Carribean, the Indian Ocean and the Pacific will be able to choose between these options: association under a renewed Yaoundé Convention (which at present applies to French-speaking African states); some other form of association, of the kind exemplified by the Arusha Convention (under which Kenya, Uganda and Tanzania are associated); or a commercial agreement to facilitate or expand trade with the Community.
- (c) In the case of independent Asian Common-wealth countries (India, Pakistan, Ceylon, Malaysia and Singapore), trade will be examined separately by the enlarged Community, taking account of the generalised preference scheme which involves a substantial removal of tariffs on manufactured goods from developing areas.

19/

+ There are at present three Communities - The European Economic Community (EEC), the European Coal and Steel Community (ECSC) and the European Atomic Energy Community (EURATOM); since 1967 all three have had common institutions.

(d) Malta already has an association agreement which offers preferential trading arrangements; and Cyprus is currently negotiating for a similar agreement.

- 3. Sugar. The EEC declared that it will have as its firm purpose the safeguarding of the interests of the developing countries concerned, whose economies depend to a considerable extent on the exports of primary products and in particular of sugar. The Six undertook to bear in mind the importance of sugar to the economies of these countries after 1974, when the current Commonwealth Sugar Agreement expires.
- 4. <u>Industry</u>. Tariffs on trade between the United Kingdom and the Six are to be eliminated in five equal stages, starting with a 20% cut three months after accession. In addition Britain will apply the Community's external tariff to all countries neither belonging to nor enjoying any special arrangements with the enlarged Community. This latter move will be carried out in four stages starting a year after accession.

Britain agreed to adopt EEC rules in the industrial sector in four and a half years, i.e. six months before it does so in agriculture.

Tariff exemptions were agreed to for 12 industrial raw materials which Britain at present imports wholly or mainly free of duty from Commonwealth and European Free Trade Area countries. (The products are phosphorus, plywood, wood pulp, alumina, silicone carbide, wattle extract, newsprint, ferrochrome, ferro-silicone, aluminium, lead and zinc.) The effect of the exemptions will be that about 90% of these commodities will continue to be imported duty free. The Community agreed to continue indefinitely its suspension of duty on tea.

5. Agriculture. Britain will adopt the mechanism of the Community's common agricultural policy at the beginning of the transitional period and give full preference to EEC agricultural products from the day of entry.

Britain's transition to Community prices will take place in six stages over a period of five years, and its deficiency payments system will be gradually phased out during that period. British producers and consumers and third countries will thus have time to make necessary adjustments.

- 6. <u>Hill farming</u>. The Six agreed that Britain may continue to support by way of capital grants and income subsidies its 17,000 full time hill farmers, which strictly speaking goes against EEC rules.
- 7. <u>Fisheries</u>. Britain, Norway and Ireland oppose the recently adopted fisheries regulations of the EEC, which lay down that ultimately all fishermen from the Community countries will have access to the territorial waters of all the others. It was agreed to hold this problem over for further discussion will all the new candidates.
- 8. <u>Euratom</u>. Britain will sign the European Atomic Energy Community treaty and exchange knowledge with the Community on atomic research.
- 9. <u>Coal and Steel</u>. Britain has agreed to adapt the British Steel Corporation and its National Coal Board to the rules of the European Coal and Steel Community soon after entry.
- 10. <u>Investment</u>. Britain will participate in the European Investment Bank, which provides investment in the depressed areas of the Community.

British rules on capital movement will be brought into line with EEC practices, ultimately freeing the movement of funds for either portfolio or capital investment within the enlarged community.

- 11. <u>Institutions</u>. Britain will carry the same weight as West Germany, France and Italy. It will have 2 members of the Brussels Commission, out of 14; and 36 members in the 208 member European Parliament. In the Council of Ministers the four big countries will have 10 votes each, Belgium and Netherlands 5, Denmark, Norway and Ireland 3, and Luxembourg 2.
- 12. Sterling. Britain expressed its readiness to run down official sterling balances after accession on three conditions: any proposal will have to be acceptable to official holders of sterling; it should not impose an unacceptable burden on Britain's resources and balance of payments; it should promote the stability of the international monetary system. The French abandoned their insistence on a precise time table for the cutting down of the reserve role of sterling, and it was agreed that methods will be discussed after British entry.
- 13. New Zealand. It has been made an open and semi-permanent exception to the EEC's closed farm policy. New Zealand's guaranteed cheese exports are to be phased out at the end of the five-year transitional period, but butter is to be reduced only to 80% of the present figure by the end of the period, and further arrangements are to be made for it after that. Taking the two together, there is to be a reduction to 71% of the present sales by the end of the period in terms of milk equivalent.

(Note: The above summary is based on the White Paper, The United Kingdom and the European Communities, July 1971, Cmnd 4715; and on reports in The Times, London, 24 June, 1971, p.7, the Guardian, Weekly Edition, 3 July, 1971, p.8, and The Economist, 26 June, 1971, pp.13 and 14.)

Arrangements for Accession

On 17 June, 1971 Mr. Heath outlined for the House of Commons the stages which must be completed before Britain can become a member:

"We first have to resolve the major issues outstanding in the negotiations. Second, Parliament should be invited to take a decision of principle on whether the arrangements so negotiated are satisfactory and whether we should proceed to join the Communities. If that be agreed, we have, third, to resolve the remaining issues in the negotiations. Fourth, a treaty of accession has to be prepared and signed. Fifth, legislation to give effect to that treaty has to be drafted, considered by Parliament and enacted. Finally, we and the other parties to the treaty have to deposit instruments of ratification of the treaty."

British Government's Case for Membership

The following are the concluding paragraphs of Part One of the British Government's White Paper (Cmnd. 4715), in which the case for British membership of the European Communities is outlined:

- 58. Her Majesty's Government have now carefully considered the outcome of the negotiations and the arrangements which have been agreed to resolve the problems identified both by the present Government and their predecessors. Like their predecessors, the present Government have also sought to ensure that changes in trading patterns, especially those concerning the Commonwealth, will be gradual, and will give time and opportunity for those concerned to make any adjustments which might prove necessary. They believe these aims have been achieved.
- 59. The costs of joining the Community set out in this White Paper are the price we should have to pay for the economic and political advantages. These advantages will more than outweigh the costs, provided we seize the opportunities of the far wider home market now open to us. If we do, we shall obtain, as the Six have done since the Communities were founded, a substantial increase in our trade, a stimulus to growth and investment, and a greater rise in real wages and standards of living than we have known in recent years or would be possible if we remained outside the Communities.
- 60. Beyond these economic considerations are the broad political perspectives. In an enlarged Community we could better serve our own interests and those of our traditional friends and allies. Together with the other members of the enlarged Community we could do more and better than any of us could do alone. Together we could tackle problems of technological innovation and development which would be too big for any one of us. Together we could create a more civilised environment. Together we could compete more effectively overseas. Together we could help the poorer countries of the world more generously than if we were working on our own. And together the members of the enlarge Community would be able to help each other.
- 61. The enlargement of the Community would create a framework for more harmonious relationships in Western Europe. The relationships between Europe and the other countries of the world, particularly the United States, the Soviet Union and, one day, China, would be come more evenly balanced. A Europe united would have the means of recovering the position in the world which Europe divided has lost.
- 62. The choice for Britain is clear. Either we choose to enter the Community and join in building a strong Europe on the foundations which the Six have laid; or we choose to stand aside from this great enterprise and seek to maintain our interests from the narrow and narrowing base we have known in recent years. As a full member of the Community we would have more opportunity and strength to influence events than we could possibly have on our own: Europe with the United Kingdom in her councils would be stronger and more influential than Europe without us.
- 63. A decision not to join, when at last we have the power to do so, would be a rejection of an historic opportunity and a reversal of the whole direction of British policy under successive

Governments during the last decade. No one can predict the consequences of such a reversal. They would touch all aspects of our national life, and affect our future as much as, if not more than, acceptance of the opportunities now offered to us.

- 64. In a single generation we should have renounced an imperial past and rejected a European future. Our friends everywhere would be dismayed. They would rightly be as uncertain as ourselves about our future role and place in the world. Meanwhile the present Communities would continue to grow in strength and unity without us. Our power to influence the Communities would steadily diminish, while the Communities' power to affect our future would as steadily increase.
- 65. Her Majesty's Government believe that the terms which have been negotiated are fair and reasonable, and provide this country with an opportunity which may never recur. They will accordingly invite Parliament to approve a decision in principle that the United Kingdom should take up full membership of the Communities on this basis. They believe that such a decision would be in the best interests of the peace, security and prosperity, not only of the British people, but of the peoples of Western Europe and of the world as a whole.
- 66. Every historic choice involves challenge as well as opportunity. Her Majesty's Government are convinced that the right decision for us is to accept the challenge, seize the opportunity and join the European Communities.

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THE OAU AND THE DIALOGUE ISSUE

The 8th Summit Conference of the Organisation of African Unity met in Addis Ababa from 21st to 23rd June, 1971. It was preceded by a meeting of the OAU Council of Ministers which lasted over a week and which prepared recommendations for the Summit Conference. Although the Conference adopted resolutions on various questions, it was apparently dominated by the issue of dialogue with South Africa, as proposed by President Houphouët-Boigny of the Ivory Coast. This had also been the dominant issue before the Council of Ministers, which recommended that proposals for dialogue with the South African Government should be rejected. However, this recommendation was approved by the Council of Ministers only after the Ivory Coast and four other delegations (Upper Volta, Togo, Dahomey and Gabon) had walked out of the meeting.

The Summit Conference accepted the Council of Ministers' recommendation in a resolution which "rejected the idea of any kind of dialogue with the racist minority regime of South Africa, unless it has the sole objective of obtaining for South Africa's oppressed people recognition of their legitimate and imprescriptible rights and the elimination of apartheid in conformity with the Lusaka Manifesto". The resolution further stated that "all action concerning the solution of the problems of colonialism, racial discrimination and apartheid in Africa must be taken with the framework of the OAU in close consultation with the liberation movements of the territories concerned. If there is dialogue of any kind, it should start between the racist minority regime of South Africa and the people whom that regime oppresses and exploits."

The resolution also branded proposals for dialogue as manoeuvres of the South African "racist minority regime" and its allies to sow division among the African States and create confusion in world public opinion. The aim of such proposals, it said, was to wrench South Africa out of international ostracism and isolation and win acceptance of the status quo in Southern Africa.

In the vote on this resolution there were 28 countries in favour out of the total of 41 OAU members. The following six countries voted against: Ivory Coast, Gabon, Lesotho, Madagascar, Malawi, Mauritius. There were five abstentions: Dahomey, Niger, Togo, Swaziland, Upper Volta. Two countries were not represented at the Conference, namely the Central African Republicand Uganda. (The C.A.R. President has expressed himself strongly in favour of dialogue, and the President of Uganda has indicated support for some form of contact with the South Africa Government.)

The OAU membership appears, therefore, to have been divided at the Summit Conference on the basis of 28 states opposed to dialogue, with 12 or 13 either in favour or at least not wishing to take a stand against it. It should be noted that Ghana supported the anti-dialogue resolution, although Prime Minister Busia has spoken strongly in favour of some form of dialogue, both before and since the Summit.

President Houphouët-Boigny was not present himself in Addis Ababa, but he submitted a request to the Conference for a special meeting to be

24/

¹ Full official description: Eighth Assembly of the Heads of State and Government of the OAU.

² Resumed 16th Session of the Council (11-15 June) and 17th Session (15-19 June).

³ See SAIIA Newsletter 1971 No.2, page 22, and private paper circulated to Institute members in June, 1971.

arranged, at which he could present his views on the subject of dialogue. The Conference did not vote on this request, but simply took note of it.

Accompanying Pres. Houphouët-Boigny's request was a statement read to the Conference by the Ivory Coast Foreign Minister, Mr. Assouan Usher. In this statement the President is reported to have said: "I believe that dialogue with the Whites of South Africa is possible if we put it in the perspective of peace through neutrality and of political neutrality. So it is with the agreement of the Ivory Coast people at our party's fifth Congress that I propose a meeting with my fellow-African Heads of State with a view to explaining to them my conception of Africa's effective neutrality, dialogue being only one strategy to attain that neutrality."

Pres. Houphouët-Boigny stressed that "it is the duty of every African leader to oppose energetically the slide our continent is beginning, down a slope which risks compromising its survival as an independent continent because of the split which is growing more and more pronounced. I therefore affirm that the (OAU) Charter recommends to us a non-alignment which is true neutrality. To reach this objective we must have peace - and peace is brought about and maintained by dialogue."

The President gave three conditions for African neutrality:

- (i) peace inside African countries;
- (ii) peace between African countries; and
- (iii) peace between Africa and the rest of the world.

Maintaining that "South Africa is an African country and the Whites in South Africa are Africans too", he went on to say that use of force was not the solution to the problem of South Africa. He called on African leaders to join the Ivory Coast in redoubling efforts to preserve their continent from the scourge of war and take concerted action to find a more effective method of dealing with Africa's problems. (Africa Research Bulletin, Vol. 8 No.6, page 2127.)

The following are comments made at the Summit Conference by those African leaders who were among those opposing dialogue:

Emperor Haile Selassie of Ethiopia said it would be self-deceiving and a waste of time to advocate doalogue with the rulers of South Africa, for it was obvious, he said, that the freedom of millions was not a commodity-subject of bargaining. He added: "Inasmuch as the Lusaka Manifesto has been rejected by the South African Government and in so far as we cannot concede any further, Africa must persevere on the course it has already chosen and must remain undivided."

For any dialogue to be meaningful, the Emperor continued, it must fulfil the wishes of the liberation movement, and he added that the only fruitful dialogue at the moment was one that must be conducted between the leaders of the liberation movements and the Government of South Africa.

President Leopold Senghor of Senegal appealed to OAU members to "double, triple, or even quadruple the material aid which we give to African nationalists". "Before any dialogue with South Africa, we must have dialogue among ourselves," he urged. Compromise on a mutual approach was also possible.

Unanimous OAU agreement could be reached, he suggested, on increasing previously "derisory" aid to African nationalists, and agreeing that the "war" between Pretoria and nationalists should culminate in negotiation - provided the latter course of action was recognised as a dialogue between equals in dignity and influence.

The Nigerian Head of State, Maj. Gen. Gowon, maintained that dialogue was "a way for South Africa to export its racist policies, while South Africa is used by imperial powers to regain a foothold in Africa". Urging increased aid to liberation groups, he added: "The time has come when we must liberate at least one colonial territory within the next three years." (Africa Research Bulletin, Vol.8 No.6, page 2126.)

While President Julius Nyerere of Tanzania did not attend the Summit, a statement by his Government, which was circulated in Addis Ababa, questioned the right of African states automatically to be members of the OAU, and called for an end to the conception of the OAU as a universalist, continent—wide organisation. The statement said that, if the only qualification for membership was that the member government was independent, in Africa, and in effective control of its country, South Africa fulfilled this qualification. But, as this would make a mockery of the organisation, additional qualifications were necessary. These should be opposition to racialism and colonialism.

The Tanzanian statement argued that the OAU should insist that, as a condition of membership, states must adhere to the organisation's decisions on the method of fighting for the liberation of South Africa, Rhodesia and the Portuguese territories. The statement argued further that Zambia, Botswana and Swaziland should be considered as special cases in relation to South Africa because of their geographical location, but should, nevertheless, be asked to "explain what is going on" in their relations with South Africa. The statement continued: "But can the same be said of Malawi and Lesotho? These countries also have genuine difficulties because of their economic and geographical situations. But anyone can see that those governments have chosen to embrace their captors and to seek ever more closer links with South Africa". Madagascar, "which has even less excuse" was now moving in the same direction.

Uganda's new Government, the statement charged, had changed the former policy with regard to the sale of British arms to South Africa, a change of policy which had been greeted with joy by Britain. "Is that not a matter for consideration in relation to Uganda's continued membership of the OAU? Tanzania is arguing that it should be." (The Star, 19 June, 1971, and The Sunday Times, 20 June, 1971.)

After the OAU Summit, President Kaunda of Zambia, who had also opposed dialogue, was asked whether any course of action had been decided on regarding member states which defied the resolution rejecting dialogue. He replied that OAU members were independent nations and that sanctions against those defying the resolution would not work.

The Ivory Coast Foreign Minister, Mr. Assouan Usher, stated after the Summit that his country would go ahead and talk with South Africa in spite of the OAU's rejection of dialogue. (Africa Research Bulletin, Vol.8 No.6, page 2128.) President Hastings Banda of Malawi is scheduled to pay a state visit to South Africa in August, and it has been announced that an official delegation from Madagascar will also visit South Africa in August.

BRIEF REPORTS

- Prepared by the Staff of the Institute -

Question of Successor to U.N. Secretary-General

Article 97 of the United Nations Charter provides that the Secretary-General, who is the chief administrative officer of the Organisation, shall be appointed by the General Assembly on the recommendation of the Security Council. The present Secretary-General, U Thant, was appointed in 1961 - after the death of Dag Hammarskjold - and has since been reappointed. His term of office expires at the end of 1971.

In January U Thant stated that he had no intention whatever of serving a further term as Secretary-General. His illness in June has made it clear to countries like Russia and France, which had apparently hoped to persuade him to stand again, that a new candidate must be found. And it is up to the great powers in the Security Council to take the initiative, for the General Assembly can consider only those candidates recommended by the Security Council. The Council has to take into account both the fact that it can propose no candidate to whom one of its permanent members objects and the feeling of the majority of member states.

African leaders claim that it is Africa's turn to provide the Secretary-General, and they argue their case thus: It is accepted that no candidate representing either of the two superpowers or their close allies has a chance, and that the candidate should in fact represent a small, neutral, and preferably developing country. Scandinavia has filled the position twice with Norway's Trygve Lie and Sweden's Dag Hammarskjold. Austria is a small neutral European country which might be considered, except that Russia might be suspicious of Austria's neutrality. Asia has had its turn with U Thant. A candidate whose country is a threat to world peace can hardly expect to be elected and this cuts out the Middle East. Most of Latin America is considered too closely aligned with the U.S., except for Chile, which the U.S. would probably find unacceptable. And this leaves Africa.

However, although the Africans are convinced of the validity of their argument, they have not as yet found a generally acceptable candidate to back their argument. The first candidate to declare himself available and the only man who has actively campaigned for the job is Lij Endal-kachew Makonnen, Ethiopia's Minister of Communications and former Ambassador to the U.N. His experience in diplomacy goes back to the Bandung Conference of Non-Aligned States and the Accra All-African Conference, and he has the official backing of his Government. The OAU, however, refused to go so far as to endorse him and merely 'noted' his candidacy.

After the OAU Conference Makonnen seems to have fallen into second place in the running behind Mohammed Masmoudi, Tunisia's Foreign Minister and former Ambassador to Paris. Tunisia withdrew its bid to fill the vacant African seat on the Security Council in favour of Sudan in return for Arab support for Masmoudi as Secretary-General. Both men are still seen as regional bloc candidates who have a long way to go before they have a chance of election.

There are a number of other African names that have been mentioned.

Kenneth Kaunda's strong criticism of the West, particularly over its role

in Southern Africa, and his increasing connections with Peking would probably make him unacceptable to the West. It is doubtful furthermore whether he would give up the leadership of his country. Chief Adebo, former Nigerian Chief Delegate to the UN and Director of the UN Recruitment and Training Institute has not been put forward as a serious candidate by the Nigerian Government. Robert Gardiner, the Ghanaian Secretary-General of the Economic Commission for Africa, would not find it too difficult to get substantial African backing, but he has not shown great interest.

Asian candidates are up against the fact that an Asian has held the post for the past 10 years. Lee Kwan Yew, Singapore's Prime Minister, who carries the necessary prestige and appeal, is to openly anti-communist, and has ruled himself out by asserting that he is too much a man of action to be suited to the slow paced diplomacy required of a Secretary-General. This leaves two Asian candidates in the field. Probably the leading Asian candidate is Hamilton Shirley Amerasinghe, Ceylon's UN representative, who has the backing of his government. Prince Sadruddin Aga Khan of Iran, the present UN High Commissioner for Refugees, appears to have reduced his chances by his involvement in the present bitter controversy between India and Pakistan.

Some observers believe that the balance of political forces might bring forward a late-entry candidate from Latin-America. A Latin American would be more acceptable to Africans and Asians than a European, and more acceptable to the Soviet Union now than a few years ago. Three names have thus far come to light: Eduardo Frei, ex-President of Chile has been canvassed and does have the prestige, but his UN experience is limited. Galo Plaza Lasso, former President of Ecuador, former mediator in Cyprus and present Secretary-General of the Organisation of American States, and, José Mayobre, of Venezuela, head of the UN Economic Commission for Latin American may be among the compromise candidates.

Were the choice based on personal merit and competence, an outstanding candidate would be Max Jakobson of Finland. He has performed well as Finnish representative in both the General Assembly and the Security Council, has succeeded in making friends across many barriers, and he has been Finland's proclaimed candidate since January. But he is still up against the barriers of racial, religious, ideological and geographical criteria which now govern the choice of Secretary-General. He is a white European from one of the Nordic countries which have already supplied two Secretaries-General. Furthermore, the Russians were critical of both Lie and Hammarskjold, whom they regarded as being pro-West, and they are said to be irked by some passages in a book on Finnish neutrality which Jakobson published in 1969. Further he is a Jew and his wife is alleged to have Zionist sympathies, making him unacceptable to the Arabs and their supporters.

Kurt Waldheim is his chief European rival. He has been Austria's Foreign Minister and UN representative, and his relatively conservative political position does not seem to have brought him into any disfavour with the Russians. The Russians might, however, be worried about Austrian sympathy for the West, and Waldheim's own domestic political aspirations have made him seem aless single-minded candidate than Jakobson.

An unknown factor at present is the role which Communist China will play, if its representatives are seated in the UN before the end of 1971 - which now seems possible. If the Peking government occupies China's seat in the Security Council, it will have the right, as one of the five permanent members, to block the appointment of any candidate of whom it does not approve.

President Nixon se Voorgestelde Besoek aan China

Die volgende is die teks van die beeldradiorede wat pres. Richard Nixon op 15 Julie 1971 gelewer het:

"Ek het hierdie tyd op die beeldradio aangevra om 'n belangrike ontwikkeling aan te kondig in ons pogings om blywende vrede op aarde te bewerkstellig.

Soos ek in die laaste paar jaar by verskeie geleenthede aangetoon het, kan daar geen stabiele en blywende vrede wees sonder die deelname van die Volksrepubliek van China en sy 750 miljoen mense nie.

Dit is waarom ek die leiding op verskeie gebiede geneem het om die deur oop te maak vir normaler betrekkinge tussen ons twee lande.

In nastrewing van daardie oogmerk het ek dr. Kissinger, my assistent oor nasionale veiligheidsake, ten tyde van sy onlangse wêreldreis, na Peking gestuur met die doel om samesprekinge met die eerste minister, mnr. Tjou En-lai, te voer.

Die aankondiging wat ek nou sal lees, word tegelykertyd in Peking en Amerika gedoen:

"Premier Tjou En-lai en dr. Henry Kissinger, pres. Nixon se assistent oor nasionale veiligheidsake, het van 9 tot 11 Julie 1971 samesprekinge in Peking gevoer.

"Bewus van pres. Nixon se uitgesproke wens om die Volksrepubliek van China te besoek, het premier Tjou En-lai namens die regering van die Volksrepubliek van China 'n uitnodiging aan pres. Nixon gerig om China op 'n gerieflike datum voor Mei 1972 te besoek.

"Pres. Nixon het die uitnodiging met graagte aangeneem.

"Die ontmoeting tussen die leiers van China en Amerika het ten doel om betrekkinge tussen die twee lande op 'n normale vlak te kry, en ook om menings te wissel oor vraagstukke wat vir albei kante van belang is."

In afwagting van die onvermydelike gissinge wat op hierdie aankondiging sal volg, wil ek ons beleid so duidelik as moontlik stel.

Ons optrede in ons strewe na 'n nuwe verhouding met die Volksrepubliek van China sal nie ten koste van ons ou vriende wees nie. Dit is nie gemik teen enige ander nasie nie.

Ons streef vriendskaplike betrekkinge met alle nasies na. Iedere nasie kan ons vriend wees sonder om die ander se vyand te wees.

Ek het op hierdie optrede besluit weens my onwrikbare oortuiging dat alle nasies baat sal vind by 'n vermindering van die spanninge en beter betrekkinge tussen Amerika en die Volksrepubliek van China.

Dit is in hierdie gees dat ek die reis, wat ek van harte hoop 'n reis van vrede sal wees, sal onderneem - vrede nie net vir ons geslag nie, maar vir die toekomstige geslagte op hierdie aarde waarop ons saam woon.

'n Hoofartikel in Die Burger (Kaapstad) van 19 Julie het die aankondiging

soos volg ontleed:

President Nixon se voorgenome besoek aan Rooi China, hoewel onverwags, is in ooreenstemming met sy wêreldpolitiek van "onderhandeling pleks van konfrontasie".

Dit is ook algemeen welkom in 'n oorlogsmoeë Amerika, wat aanstaande jaar in November stembus toegaan om 'n president vir die volgende vier jaar te kies. Die toestand kan verander, maar op die oomblik lyk dit of die man wat die beste indruk kan maak as "vredeskandidaat", 'n groot voorsprong sal hê.

Die onderneming het die aanskyn van 'n gewigtige verkenningstog eerder as 'n ekspedisie met duidelike oogmerke. Dit is moontlik gemaak deur die Amerikaanse program van geleidelike onttrekking aan Vietnam, waar konfrontasie as beleid hopeloos vasgeval het.

Die mees onmidellike gevolg van die aangekondigde reis is vrae en kommer onder die Verenigde State se kring van bondgenote rondom die Chinese hartland. Een van hulle wat reeds met sekerheid verwag dat hy diplomatiek uitverkoop gaan word, indien nie militêr nie, is die eilandstaat Taiwan, wat nog altyd China se permanente setel met die vetoreg in die Veiligheidsraad van die V.V.O. beklee. Aanspraak op daardie plek is een van Peking se volstrekte minimum-eise, wat moontlik nou al deur 'n effektiewe meerderheid van die V.V.O. gesteun sou word. Dit was hoofsaaklik die Verenidge State se verset wat in die laaste jare vir Rooi China nog buite die V.V.O. gehou het.

As die ou beondgenoot Tsjang Kai-tsjek só opgeoffer gaan word vir 'n Amerikaans-Chinese ontspanning, sal ander Amerikaanse vriende langs die westelike Stille Oseaan wel kan vra watter rol aan hulle toegewys sal word in enige komende transaksies, en of dit nie maar beter is om vroegtydig tot 'n eie verstandhouding met Peking te geraak nie.

Net die aankondiging van pres. Nixon se besoek kan al 'n aansienlike uitwerking hê op Amerika se ring van voorposte rondom China.

'n Ander oord waarvandaan min geesdrif verwag kan word, is Moskou, waar hulle naarstig sal let op enige getuienis dat Amerika die twee Rooi kolosse teen mekaar probeer afspeel. Weliswaar het die Verenidge State ook teenoor die Sowjet-Unie 'n program van ontspanning in werking, maar daar bestaan 'n ou agterdog tussen die Rooi moondhede dat die een met Amerika sal wil heul teen die ander se belange. Pres. Nixon sal in sy hoë diplomasie 'n fyn koorddans moet uitvoer as hy nie maar ou onbestendighede wil verruil vir nuwes nie.

Eintlik is dit die mindere moondhede oor die hele wêreld wat op hul pasoppens moet wees wanneer toenadering tussen die grotes op die lappe is. Die grotes, geterroriseer deur mekaar se kernwapens, is geneig om hoog en wyd te trap oor die kleineres se belange. In hierdie geval staan 'n inwaarts kerende Amerika teenoor twee Kommunistiese reuse wat deur hul ideologie verbind is tot imperialisme oor die lang termyn, wat hul teenswoordige stemming ook al mag wees. Of 'n meer verenigde Europa die ewewig ten gunste van die Weste kan herstel deur in die rol van 'n vierde supermoondheid te stap, is nog nie uitgemaak nie.

Dit is in elk geval 'n tyd vir waaksaamheid wat aan die kom is

vir die kleineres. Soos die Oos-Europese state ná die Tweede Wêreldoorlog, kan hulle naderhand vind dat hulle "in die belang van die vrede" toegewys word aan invloed- en magsfere waar hulle self nooit wou wees nie.

Op 22 Julie het <u>Die Burger</u> weer na pres. Nixon se voorgestelde besoek aan China verwys in 'n hoofartikel getitel "Amerika en Sy 'Ou Vriende'":

Pres. Nixon het die belofte gedoen dat sy reis na Peking "nie ten koste van ons ou vriende" sal geskied nie. Die Nasionalistiese China het reeds laat blyk dat hy nie veel waarde heg aan dié belofte nie, en daar bestaan goeie gronde vir die agterdog dat enige toenadering tussen die Verenigde State en Rooi China tot nadeel van die bewind van genl. Tsjang Kai-tsjek sal wees. Die posisie van elke ander land in Suidoos-Asië wat spesiale bande met die Verenigde State het, sal egter ook overmydelik geraak word. Die versekeringe wat die Nixon-administrasie gee dat daar nie reeds stilletjies 'n verstandhouding met die Chinese bestaan, verander hieraan niks nie.

Te midde van die opgewondenheid oor pres. Nixon se besoek aan Peking is dit half uit die oog verloor dat die President in ooreenstemming met die sogenaamde Nixon-leer reeds lankal 'n kleiner Amerikaanse rol in Asië voorstaan, en ook besig is om die beleid uit te voer. Die toepassing van die Nixon-leer is die opvallendste in Vietnam, waar die President besig is om sy land aan die oorlog daar te onttrek. Dit het trouens die pad voorberei vir 'n ontspanning met Rooi China, wat 'n gevaarlike bedreiging gesien het in die Amerikaanse militêre rol so na aan sy grense.

Die beter verhouding met Rooi China wat nou na 'n sterk moontlikheid lyk, kan die hoofdoel van pres. Nixon se beleid gewees het. Maar ook sonder hierdie oorweging sou die Nixon-leer waarskynlik dieselfde koers gevolg het, vernaamlik onder die invloed van 'n openbare mening in Amerika wat die laaste paar jaar sterk gedraai het teen die wêreld-wye verpligtinge wat die land dra. Die sukses met die toenadering tot Rooi China sal die uitvoering van die beleid net versnel, en vir verskeie lande in dié wêrelddeel sal dit allerlei aanpassingsprobleme meebring.

Die eerste land wat daardeur geraak sal word, is die Nasionalistiese China, wat tot dusver die illusie probeer handhaaf het dat hy die hele China verteenwoordig en daarin deur die Verenigde State gesteun is. In die geval van 'n toenadering tussen die twee wêreldmagte sal die klein eiland-staat se toekoms maar bra onseker wees.

Onder die Verenigde State se "ou vriende" tel egter ook 'n sterk land soos Japan, wat ná die oorlog số 'n ekonomiese reus in Asië geword het dat Rooi China hom al skrikkerig getoon het vir sy toenemende politieke en ekonomiese mag. Vir sy verdediging het Japan hom egter in 'n groot mate op Amerika verlaat. Nou sal Japan al hoe meer op homself aangewys wees en daar het onlangs stemme opgegaan dat die land vanweë sy posisie ten opsigte van China daartoe sal moet oorgaan om kernwapens te kry. Dit sou 'n pynlike stap vir die Japanmese wees, maar hulle sou op die ou end kan reken dat dit ter wille van hul veiligheid nodig is.

Elke ander land in Suidoos-Asië - groot of klein - wat op die een of ander manier 'n "ou vriend" van Amerika is en tot dusver onder die Amerikaanse veiligheidsambreel kon skuil, sal hom egter soos die genoemde twee lande daarmee moet versoen dat die "ou vriend" besig is om hom geleidelik to onttrek. Die Amerikaanse minister van buitelandse sake, mnr. Rogers, het onlangs gesê Amerika glo dat Peking 'n toenemende rol in Asië te speel het, en graag daartoe wil bydra dat dié rol eerder opbouend as ontwrigtend sal wees. Amerika se "ou vriende" kan ook maar net hoop dat dit die geval sal wees.

New Ruler of Haiti

On 21 April, 1971, after 14 years in office as President-for-life of Haiti, François Duvalier - known as Papa Doc - died. His bizarre dictatorship was characterised by brutal terror and the outrages of his dreaded personal force, the Tontons Macoutes, and under him Haiti came to be regarded as one of the worst governed nations in the world, one faced with staggering problems of backwardness and neglect.

On 22 April his 20 year-old son, Jean-Claude - referred to as Baby Doc - succeeded him as President-for-life. Baby Doc, who has no experience of government appears - for the time being at least - to be sharing power with a number of people: his oldest sister, Marie-Denise, who served a time as Papa Doc's private secretary; his mother, who has taken to attending Cabinet meetings; Luckner Cambronne, the powerful Minister of Interior, who controls much of the country's internal security apparatus; Brigadier-General Claude Raymond, the Army Chief of Staff; and Adrien Raymond, the Foreign Minister.

Jean-Claude has attempted to improve the image of his regime with a guarded 'open door' policy. He has opened the palace and palace grounds to the people on frequent occasions. Cabinet Ministers have regularly assigned duties and have made themselves available to both the Haitian people and the foreign press. For the first time those in government are able to walk about and see and be seen by Haitians without the deep fear and mistrust felt under Papa Doc.

Jean-Claude has promised to embark on an economic development programme, and assured the people that a serious effort would be made to improve their economic and social conditions. He has called for plans to boost agricultural production, particularly coffee production, increase tourism and attract U.S. investment. He has raised the legal minimum wage, for the first time in 24 years, by 40% to one dollar a day, and he has granted pay rises of up to 20% in the lower ranks of the army.

Some political prisoners have been quietly released and he has made an offer of amnesty to Haitians living in exile - this, however, excludes what he calls communists and trouble-makers. He has tended to downplay the role of the tontons macoutes: three of their most notorious regional chiefs have been sacked and municipal councils under their control replaced. He has announced, however, that they would in future be better armed and he has also established a new 567 man elite force called 'les leopards' to deal with invaders and guerillas.

That there was no upheaval after Papa Doc's death seems to indicate that the majority of the people are prepared to give him a chance, but he will have to demonstrate that he is coming to grips with Haiti's tremendous problems if he is to retain power.

Iran Claims Three Islands in the Gulf

Abu Musa, Great Tumb and Lesser Tumb are three tiny, barren and barely inhabited inslands lying in the mouth of the Persian Gulf; and of themselves they would seem trivial cause for serious conflict between the Arabs and Iranians. Abu Musa boasts mineral deposits and the offshore waters of all three may be rich in oil, but in an area of such great subterranean wealth an oil field or two should not arouse such controversy. Yet with British withdrawal still scheduled for December the future of these islands is one of the most immediately threatening problems in a problematic area.

Iran demands - both His Majesty the Shahanshah and Prime Minister Hoveyda have made strong public statements - that these islands, though presently ruled by the British protected sheikdoms of Sharjah and Ras al-Khaimah, must be returned to Iran. According to the Shahanshah the islands were "grabbed from us 80 years ago at a time when we had no central government". Britain occupied them on the excuse that the sea was pirate-infested, and it was its role to ensure the safety of navigation. "This was supposed to be temporary step", he said, claiming that British documents proved the island belonged to Iran. (Kayhan, International Edition, Teheran, 3 July, 1971, p.1). Iran has held naval and military manoeuvres to demonstrate that it is in a position to back its territorial claims by military means.

On the Arab side of the Gulf - in Bahrain, Kuwait, Qatar and in particular Iraq - these demands have met with a negative response. Iraq warned that Iran is preparing to insert a second Israel into the Arab world.

This conflict — as also that over the future of the Union of Arab Emirates, which Britain had hoped for — is greatly complicated by the strong antagonism between Iraq and Iran. Teheran fears that Baghdad will become the dominant power on the Arab side of the Gulf and gain effective control over the islands — Iraq assists whatever local forces work against Iran and already has close relations with Ras al—Khaima — and that through Iraq the Soviet Union will be able to penetrate the Gulf. For Teheran the idea of an outside power like Russia establishing itself on the islands is a nightmare, since the export route for all Iranian oil passes through the Straits of Hormuz which can be blockaded from these islands. This is of vital importance furthermore in that control of the Gulf gives control over a substantial proportion of oil supplies to the West, Europe and Japan — and, of course, South Africa.

Voorgestelde Grootpad Deur Afrika

Die Verenigde Volke se Ekonomiese Kommissie vir Afrika het in Julie 'n komitee-vergadering in Addis Ababa gehou om planne vir 'n grootpad van die ooskus na die weskus van Afrika te bespreek. Die lede van die komitee is die ses lande waardeur die voorgestelde pad van ongeveer 4 800 km sal loop, naamlik Kenia, Uganda, die Sentraal- Afrikaanse Republiek, Kongo (Kinshasa), Nigerië en Kameroen.

Volgens 'n aankondiging op 31 Julie deur die komitee, het die vergadering onder meer besluit dat die volgende vergadering in Bangui in die Sentraal-Afrikaanse Republiek gehou sal word. Die lede sal egter in Yaoundé in die Kameroen byeenkom. Hulle sal dan in voertuie die 800 km na Bangui aflê ten einde die toestande van die paaie te bestudeer.

Die Ekonomiese Kommissie vir Afrika, sameroeper van die komitee, is ook gevra om 'n voorlopige kaart van die beoogde grootpad op te stel. Die planne sal gegrond word op voorstelle wat op die vergadering geopper is.

Na verwagting sal die pad by Mombassa begin en dan deur Nairobi (Kenia), Kampala (Uganda), Kisangani (voorheen Stanleystad), Bangui (Sentraal-Afrikaanse Republiek), Yaoundé (Kameroen) en Lagos (Nigerië) loop, Voorsiening sal ook gemaak word dat geskikte paaie na hawens en ander ekonomiese sentrums by die grootpad kan aansluit.

Dit word verwag dat die beoogde pad baie daartoe sal bydra om die handel, toerisme en kultuur in die betrokke deel van Afrika te bevorder.

The Handing-Back of Okinawa to Japan

In November, 1969, Japanese Premier Eisaku Sato, while on a visit to the White House, came to an agreement with President Richard Nixon that the Ryukyu islands, of which Okinawa is the largest, were to revert to Japanese sovereignty. There followed 18 months of difficult negotiations, and on 17th June, 1971, 26 years after the United States captured Okinawa, the simultaneous signing in Tokyo and Washington of the Okinawa reversion treaty took place.

The treaty returns the islands to Japanese authority, but leaves the US in control of almost all of Okinawa's major bases. The US-Japanese Mutual Security Treaty has been broadened to cover Okinawa as well as Japan, so technically placing American bases and troops under Japanese jurisdiction.

The US retains 88 military bases, including the huge Kadena air base which is a major reconnaissance, support and transport base for the Indochina war. 34 smaller bases will revert to Japan on or before reversion of the island, and 13 more will be returned as soon as Japanese self-defence forces are able to man them. US military planes will be removed completely from Naha civilian airport.

In all the US is gaving up only one-seventh, of 14,500 acres, of its military acreage, and it will maintain its present deployment of 40,000 to 50,000 men on the island. The only unit which will be withdrawn from the island will be the military-intelligence school, primarily used for training nationals from third countries. Voice of America broadcasts

will continue from the island for a further five years, after which the position will be reviewed. The US will pay compensation for damages resulting from the occupation, and Japan will pay the US the cost of dismartling installations. Japan plans to recover the island in the first half of 1972, when it proposes to station 3,000 troops there.

When it comes to the position regarding nuclear weapons, the language of the treaty becomes oblique - partly because US official policy does not allow it to admit that it ever had nuclear weapons on the island. It does state that the US will not store nuclear weapons on Okinawa unless Japan agrees. It is thought that the treaty implies that in the event of an international crisis Japan will be obliged to approve the introduction of nuclear weapons to the island.

The treaty now needs to be ratified by the Japanese Diet and by twothirds of the US Senate, and there promises to be a full debate in both bodies.

As was indicated by huge demonstrations in Japan, the opposition has not got what it wanted. There is to be no decrease of American forces and bases, no end to VOA broadcasts, no removal of US special forces, no restriction on flights over other countries by US strategic reconnaissance planes stationed in Okinawa, and, most important, no clear pledge that the US will at no time place nuclear weapons on the island. The opposition parties are attacking Sato most strongly on the ambiguous wording of clauses concerned with nuclear weapons.

Sato, on the other hand, is confident he can get the treaty through the Diet, and is pleased with what he has achieved, for the reversion is a popular national step. He has succeeded in persuading the victor to return to the vanquished territory taken in war and to remove all military planes from Naha airport, to include among the islands returned the potentially oil-rich Senkaku islands and to pay outstanding compensation claims.

In the US Senate opposition to the treaty will come firstly from men like Senator Harry F. Byrd who claim that the US cannot afford to go on guaranteeing the defence of so many Asian nations, if it surrenders such a vital part of its military capability in the Far East. Opposition will also come from a group led by Senator Strom Thurmond who plan to link approval of the treaty to Japanese agreement to limit textile exports to the US. They claim that since Japan is asking comething of the US, it is fair to request some consideration of the textile problem in return.

Supporters of the treaty, on the other hand, argue that reversion involves no generosity and is rather a matter of simple necessity. Taking into account the hostility of the Japanese population and the sometimes violent opposition of the Okinawas themselves, the US came to the decision that rather than retain its position by use of force, and so adversely affecting ties with Japan, it would be more advantageous to surrender sovereignty, particularly since there would be little or not loss of military effectiveness. The US has succeeded in keeping sixsevenths of its military installations and bases, in retaining its manpower on the island, in the continued broadcasting of VOA, in Japan's assumption of an Okinawan and an increased Asian defence role closely coordinated with that of the US, and in the ommission of any explicit promise about not keeping nuclear weapons on Okinawa. Furthermore, the US still has its bases in Guam, Taiwan and South Korea, and it has at its disposal the aircraft carriers of the Seventh fleet, as well as

submarines armed with nuclear warheads.

In the short-term it would appear then that US military effectiveness will not be appreciably reduced, but one must anticipate that Japanese demands on the islands will increase and that the US will be obliged, step by step, to withdraw.

Southern African Regional Tourism Council (SARTOC)

In August, 1970, a Ministerial Conference on Regional Tourism was held in Blantyre, Malawi, which was followed in February, 1971, by a conference of officials, also held in Malawi. At the conclusion of the latter conference the following statement was issued:

"Representatives of the Governments of the Republic of Botswana, the Kingdom of Lesotho, the Malagasy Republic (Madagascar), the Republic of Malawi, the State of Mauritius, the Republic of Portugal, the Republic of South Africa and the Kingdom of Swaziland met in Blantyre from February 15 to 19, 1971, in order to consider means of implementing the recommendations of the Ministerial Conference on Regional Tourism Co-operation held in Malawi in August 1970.

"It was agreed to recommend to their respective Governments that a Southern African Regional Tourism Council, to be known as Sartoc, be established.

"The main objective of Sartoc, which, it is hoped, will be in operation in the near future, is to promote and develop, through regional co-operation, the tourism industry in the Southern African Region, which includes the islands of the Indian Ocean.

"The seat of Sartoc will be in Malawi, and it is hoped that the inaugural meeting of Sartoc will be held in Mauritius."

(Text as given in News from Swaziland, 24 February, 1971.)

The SARTOC articles of agreement were signed by South Africa on 19th August, 1971, during the state visit of President Hastings Kamuzu Banda to the Republic. The agreement will come into force when signed by four states. In addition to South Africa, it has so far been signed by Malawi and by Portugal, on behalf of Angola and Mocambique.

NEWS THE BRANCHES FROM

NATAL

On 1st July, 1971, the Annual General Meeting of the Natal Branch of the The following office bearers were elected: Institute was held.

Chairman

: Professor E.N. Keen

Vice-Chairman

: Mr. H.E. Bridgen

Hon. Secretary

: Miss Claire Maguire

Hon. Treasurer

: Mr. A. Hopewell M.P.

Committee Members : Dr. G. Caiger

Mr. T. Downie

Mr. H. Feist

Mr. E. Stanton Mr. C. Jakubczyk

The meeting was followed by an address on "Germany and the New Europe" by Dr. Denis Worrall.

CAPE TOWN

The following speakers addressed meetings of the Cape Town Branch during the period January to July 1971:

Baron Fraser of Lonsdale

"The House of Lords - The on British Senate".

Professor D.G. Haylett

on "The Population Explosion and its Consequences (with special reference to South

Africa)".

Mr. C.J.A. Barratt

"Recent Developments in South Africa's Foreign

Policy".

Professor W.B. Vosloo

"External Challenges to the South African Political System".

Mr. G.W.G. Browne Secretary for Finance "The Struggle for Gold: 1968 and After".

Sir Arthur Snelling British Ambassador

"A Personal View of Africa". on

Professor M.H.H. Louw

"Science and International on Relations".

WITWATERSRAND

The following speakers addressed meetings at Jan Smuts House during the period January to July 1971.

Mr. H.A.N. Brown, British Consul-General	on	"Cambodia Yesterday and Today".
Sir Colin Coote	on	"Changes in British Politics".
Mr. Ramsey Milne	on	"Singapore and the Arme Issue".
Mr. Martin Spring	on	"Japan and the World".
Dr. Denis Worrall	on	"Germany and the New Europe".
Mr. C.J.A. Barratt	on	"Dialogue in Africa".
Dr. Daniel Banmeyer	on	"Madagascar"
Professor George H. Quester	on	"The Control of Nuclear Weapons".
Dr. Otto von Habsburg	on	"European Unity".
Mr. Neil Brown, M.P.	on	"Australia and South Africa".

BOOK REVIEWS

United States Foreign Policy in a Regional Context

S.A. Institute of International Affairs, 1970. (viii) 94pp.

- Reviewed by John Mare

Towards the end of 1969, the South African Institute of International Affairs organised a symposium on the subject - "United States Foreign Policy in a Regional Context." This booklet, somewhat belatedly published, contains the papers delivered on that occasion. The main contributors are Professor Ben Cockram, Jan Lombard, Michael Louw, and Thomas Molnar, and Dr. G.E. Leistner and Dr. Denis Worrall.

The concept of regionalism is relatively new both in International Relations theory and in practice. The factors favouring it as a form of interstate interaction are greater than those hindering it, with geographic proximity being especially strong. Other conducive factors, like sociocultural and physical-geographic similarities, often flow from the contiguity of location. The advantages of regionalism are that states in a regional context achieve a high degree of international co-operation, with both location and similarities favouring a mutual understanding of problems and a willingness to co-operate for peace and development.

Regionalism has particular relevance for South Africa, as it facilitates interdependence and political individuality, and, already, a sense of regionalism has led to co-operation with such countries as Malawi, the Malagasi Republic, and the former Protectorates. The Republic is likely to play a decisive role in the development of this Southern African regionalism, and it is in this regard that the theme of the symposium is highly relevant. The United States, after all, figures very prominently in the emergence of the Western European community, which represents the most advanced form of regionalism, and it has favoured the growth of regionalism in the Americas, in Asia, and in Africa, as ways of both containing Communist expansion and of achieving a high level of co-operation for development.

(This review is reprinted from New Nation, Vol. 4 No. 12, July 1971.)

South Africa and the World: The Foreign Policy of Apartheid

Amry Vandenbosch; Kentucky; The University Press of Kentucky, 1970; 287 pp. plus Biog. Note and Index.

Reviewed by John Barratt

This study of South Africa's foreign relations, written and published outside South Africa, highlights the unfortunate lack of much serious research in this field within the Republic. However, there are signs that this situation is changing. Dr. Gail-Maryse Cockram's book Vorster's Foreign Policy, published early in 1970, provided a survey of developments mainly during the past decade, as well as much useful reference material, and more recently in the book South Africa: Government and Politics (Ed. Denis Worrall), Gerrit Olivier has provided the first systematic analysis of South African foreign policy to appear anywhere.

Although Professor Vandenbosch's book is sub-titled 'The Foreign Policy of Apartheid', nearly half of it is devoted to a history of South African political developments and foreign relations before 1948. In the chapters covering the period after 1948, Professor Vandenbosch deals separately with South Africa's relations with the High Commission Territories, before and after their independence, Rhodesia (in a chapter entitled 'South African Protégé') and African in general. He also devoted separate chapters to relations with the Commonwealth, and with the United Nations.

The final chapter entitled 'Siege and Counter-offensive' contains Professor Vandenbosch's conclusions, and includes a short section on the outward-looking policy. It is a pity that this new trend in South African foreign policy receives such summary treatment, especially in view of current developments stemming from President Houphouet-Boigny's announcement of November, 1970. The potential support for the new approach of contact and dialogue on the part of a number of French-speaking African states, plus a few English-speaking ones, contradicts Professor Vandenbosch's conclusion, that, looking outward from South Africa: 'Every possible road seems to run into a dead end.'

He refers to various handicaps which he felt would prevent the outward policy from making much progress beyond 'the small, weak, economically dependent states of southern Africa'. One cannot blame him, of course, for not foreseeing this new approach by several African leaders, in which they argue for the acceptance of South Africa as an African state and for the settlement of differences (which admittedly are still very real) within an African context without outside interference; it has surprised South Africans, too. But there were some signs of new thinking in Africa, before President Houphouët-Boigny spoke out so clearly, which could perhaps have been taken into account. The seemingly unpopular stand taken by President Banda of Malawi, and subsequently by President Tsiranana of Madagascar, too, tends to be discounted by Professor Vandenbosch, whereas there is no doubt now that their willingness to respond positively to the outward movement by South Africa, has had an effect on the attitudes of other African states.

Furthermore, the outward policy (which, by the way, concerns not only relations with Africa) deserves more attention as the first attempt to construct a coherent, independent foreign policy. For so long dependent on the Commonwealth connection, South Africa was forced, after the break in 1961, to look after itself. At first a defensive attitude was paramount, but since the mid-1960's there has been a gradual change, and it is no longer entirely correct to say, as Professor Vandenbosch does, that South African foreign policy 'has become almost totally a defense of its racial policy against the hostile pressure of nearly the whole world'.

Professor Vandenbosch devotes considerable attention to relations with the United Nations (more than a third of that part of his book dealing with the period since 1948). This is out of all proportion to the real significance of the United Nations in South Africa's foreign relations in general and foreign policy in particular. One would like to have seen instead more attention given to relations with major Western powers - the United States, Britain and France - which remain of vital importance to South Africa. It is strange in fact that Professor Vandenbosch, as an American, does not deal with United States/South Africa relations, except in passing and mainly in the context of United Nations proceedings.

In spite of criticisms such as these, Professor Vandenbosch's study is a

welcome contribution to the history of South Africa's foreign relations, and and he amply illustrates his main theme, namely the close relationship in South Africa's case 'between economic and social structure and domestic policy on the one hand, and foreign policy on the other'.

(This review is reprinted from <u>South Africa International</u>, Vol.2 No.1, July 1971.)